



## GEORGIA STATE SENATE SENATE RESEARCH OFFICE

204 Coverdell Legislative Office Building | 404.656.0015  
18 Capitol Square SW  
Atlanta, GA 30334

ALEX AZARIAN  
ACTING DIRECTOR

# THE FINAL REPORT OF THE JOINT COMMISSION ON E-COMMERCE AND FREIGHT INFRASTRUCTURE FUNDING

## COMMITTEE MEMBERS

**Senator Steve Gooch – Co-Chair**  
District 51

**Representative Rick Jasperse – Co-Chair**  
District 11

**Senator Frank Ginn**  
District 47

**Representative Jon Burns**  
District 159

**Senator Jason Anavitarte**  
District 31

**Representative Clay Pirkle**  
District 155

**Senator Michael “Doc” Rhett**  
District 33

**Representative Calvin Smyre**  
District 135

**Glendon Gooch**  
Gooch Shipping

**Trey Googe**  
Yancey Bros. Co.

**Don Grantham**  
Georgia Ports Executive Board

**Mack Guest**  
LAD Truck Lines

**Griff Lynch**  
Georgia Ports Authority  
*Ex Officio*

**Russell McMurry**  
Department of Transportation  
*Ex Officio*

## COMMITTEE FOCUS, CREATION, AND DUTIES

The Joint Commission on E-Commerce and Freight Infrastructure Funding was created by [Senate Resolution 102](#) to “determine the best course of action with regard to funding and policy development relating to freight and logistics [and] to ensure that action taken over the next several years will result in the growth and support of this important industry.” Senator Steve Gooch of the 51st and Representative Rick Jasperse of the 11th served as the Committee Co-Chairs. The other Senate Members included: Senator Frank Ginn of the 47th; Senator Jason Anavitarte of the 31st; and Senator Michael “Doc” Rhett of the 33rd. Other Members of the House of Representatives included Representative Jon Burns of the 159th; Representative Clay Pirkle of the 155th; and Representative Calvin Smyre of the 135th. Citizen Committee Members included: Glendon Gooch, Gooch Shipping; Don Grantham, Georgia Ports Executive Board; Griff Lynch, Georgia Ports Authority; Russell McMurry, Department of Transportation; Trey Gooch, Yancey Bros. Co.; and Mack Guest, LAD Truck Lines.

The Commission held four meetings: August 23rd at GDOT; October 4th at UGA; and November 15th and January 6th (2022) at the Capitol, and heard testimony from the following organizations and individuals:

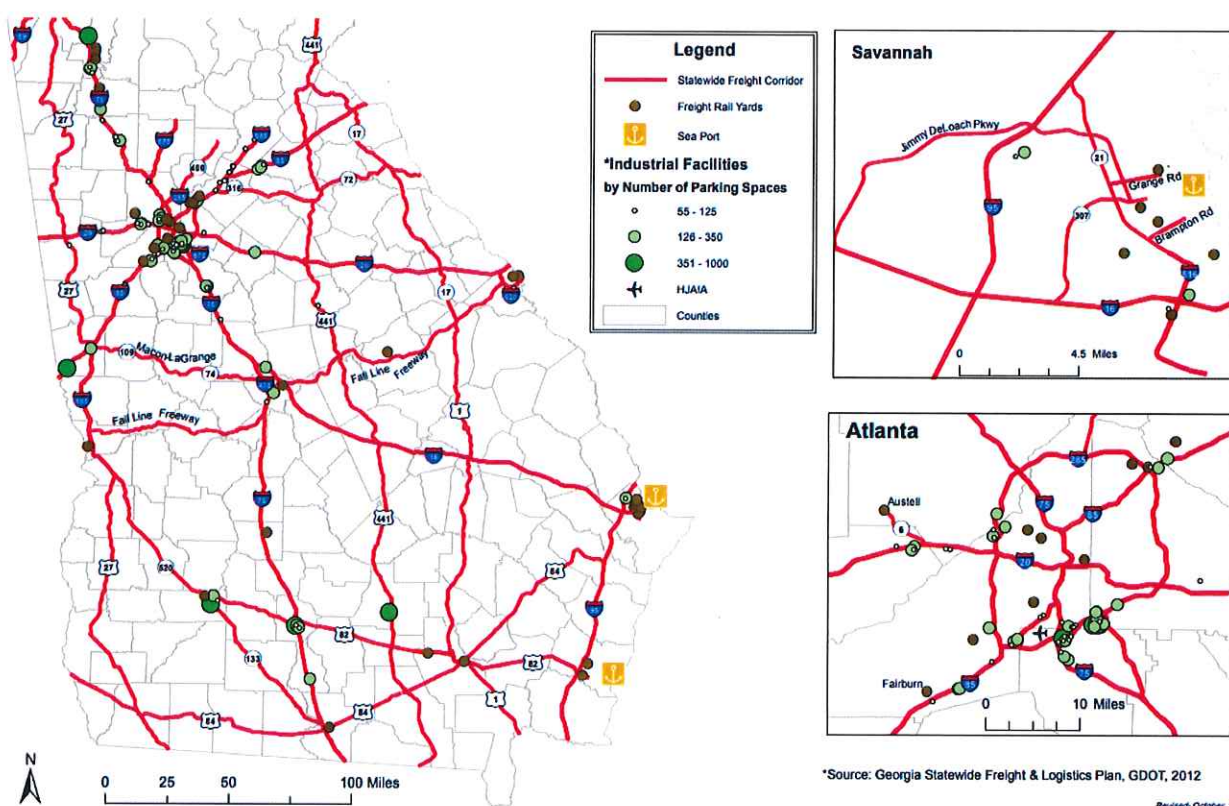
1. Georgia Department of Transportation – Jannine Miller
2. Former Commission Co-Chair and Former Representative Kevin Tanner; Former Commission Co-Chair – Senator Brandon Beach
3. FTR Transportation Intelligence – Eric Starks
4. Georgia Institute of Technology Supply Chain Institute – Tim Brown
5. Georgia Center of Innovation for Logistics – Sandy Lake
6. University of Georgia Carl Vinson Institute of Government – Dr. Wes Clarke
7. Texas Transportation Institute – Bill Eisele
8. RetailGeek – Jason Goldberg
9. Reason Foundation – Robert Poole
10. Georgia Department of Transportation – Joshua Waller
11. Association of American Railroads – Fred Miller

## COMMITTEE FINDINGS: SUMMARY OF SIGNIFICANT TESTIMONY

### Georgia Economic Development and Freight by the Numbers

Jannine Miller explained that in Fiscal Year 2021, 316 companies expanded or located to Georgia, announcing \$11.5B in investment, of which, \$6.3B (54%) are logistics-enabled. Over 315 million tons of freight originated and stayed within Georgia in 2017, the latest figures available, valued at more than \$292B. The total truck volume on the State Route System averages 24.9 million miles daily, while the total truck volume on the State Freight Network (SFN) is 18.3 million miles daily. 73% of truck traffic on the State Route System travels on the SFN and 22% of the State Route System's centerline miles are on the State Freight Network. 63 Georgia Ready for Accelerated Development (GRAD) sites are located within a 5-mile radius of a SFN route. 208 of Georgia's 374 (55%) structurally deficient bridges are on rural local roads. Georgia's total active rail mileage is 4,765 miles with 5,044 public rail crossings across Georgia as of January 2020.

### Georgia's State Freight Network



I-75 and I-95 serve as key North-South Transcontinental interstate highways while I-16, I-20, I-59, and I-85 put Georgia on direct route to 15 other states. Truck freight from Georgia can reach 80% of the U.S. markets within two days.

### A Snapshot of Georgia's Logistics Infrastructure

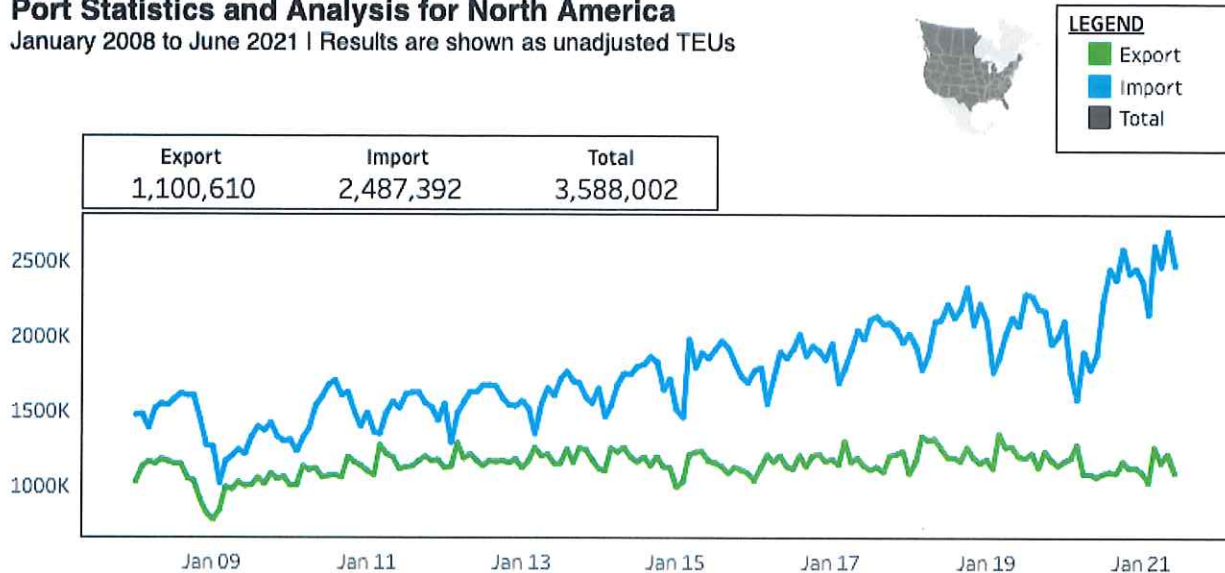
- **Trucking:** Reaches 80% of U.S. Consumers in 2 Days; 15 Interstates are located in Georgia; 450K Georgia CDL Drivers.
- **Air Passengers:** Hartsfield-Jackson is the busiest airport in the world, serving 275,000 Passengers per day while generating a \$34.8B economic impact for Metro Atlanta. A 2-hour flight reaches 80% of U.S. Population (Cargo or Passengers).
- **Air Cargo:** Hartsfield-Jackson is ranked #10 in U.S. for air cargo operations; Contains 2 Million square feet of On-Airport Warehousing.
- **Rail:** 2 Class I Railroads; 3 Inland Ports w/ Direct Rail; Largest Intermodal Facility on East Coast.



- Marine: Largest single container terminal in Western Hemisphere; In FY 2020 4.4 million Twenty-foot Equivalent Units (TEUs) containers shipped; Moved 21.6% of East Coast container trade.
- Warehousing & Distribution: 90% of top Third Party Logistic companies (3PLs) operate in Georgia, 800 million sf of space, 14 million sf cold storage.
- Pipeline: The Colonial pipeline is largest U.S. refined products pipeline; 5,500 miles long and moves 3 million barrels each day.

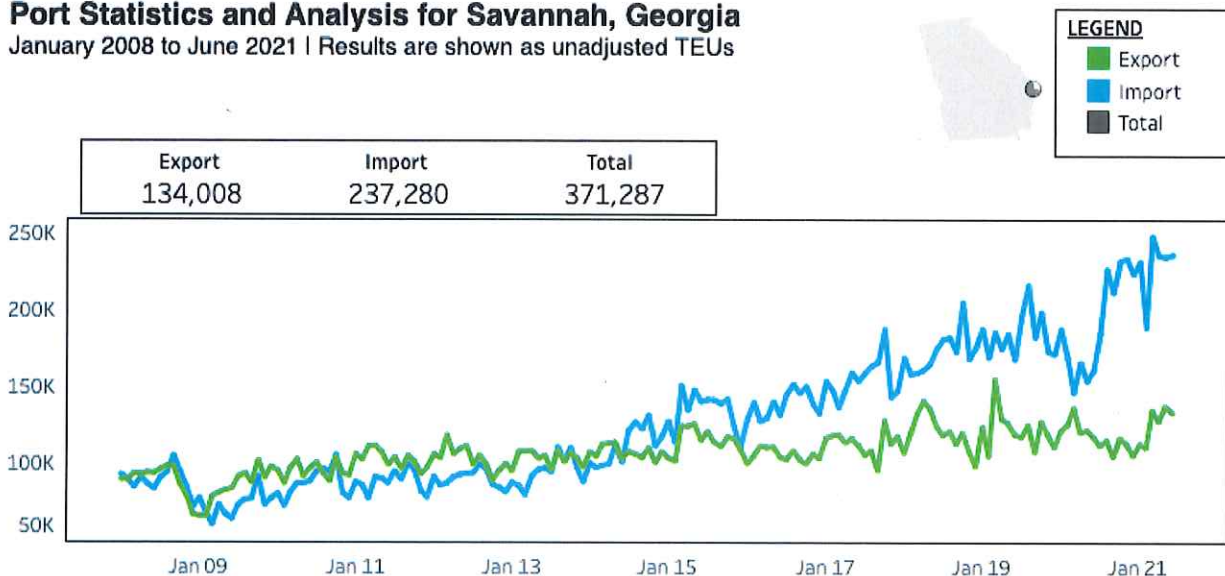
### Port Statistics and Analysis for North America

January 2008 to June 2021 | Results are shown as unadjusted TEUs



### Port Statistics and Analysis for Savannah, Georgia

January 2008 to June 2021 | Results are shown as unadjusted TEUs



### 2021 Statewide Strategic Transportation Plan

Professor Tim Brown of Georgia Tech's Supply Chain Institute testified that Georgia's 2021 Statewide Strategic Transportation Plan (SSTP) is the first SSTP to make a business case for transportation investment based on economic outcomes. GDOT plans to invest, on average, \$2.38B annually in the state's transportation system through 2050. GDOT's statewide freight and logistics commitments involve the following:

- *Plans, Programs, and Projects*
  - Update Georgia Statewide Freight and Logistics Infrastructure Plan; determine need for additional freight programs and partnerships, as well as investments and improvements.
  - Update State Rail Grade Crossing Safety Action Plan.

- Identify strategies for improving intermodal connectivity.
- Continue evaluating options to improve freight movement in areas around Ports of Savannah and Brunswick.
- Explore discretionary federal funding opportunities (e.g., INFRA).
- *Partnerships*
  - Explore truck parking partnerships.
  - Collaborate with rural strike teams to pursue freight and logistics projects.
  - Collaborate with Atlanta Regional Commission and other MPOs on metropolitan and regional freight mobility planning.
  - Identify strategies to support broadband connectivity for freight facilities.
  - Explore R&D and pilot tests for freight technologies (commercial vehicle/ rail safety, first/last mile, platooning, etc.) and supply chain resilience.
  - Continue and expand industry partnerships.
- *Performance*
  - Enhance economic impact/return on investment capabilities for freight projects.
  - Benchmark Georgia's competitiveness relative to other global hub states.
  - Develop policy framework and performance measures for freight fluidity.

### **Georgia's Motor Use Fuel Tax (MUFT) and its Impact on Road Construction**

Dr. Wes Clarke conducted a presentation on a CVIQG/GDOT report on the impacts of GDOT construction and maintenance projects in FY 2017. Georgia changed its motor use fuel tax (MUFT) on July 1, 2015, from a 7½ cent excise tax per gallon coupled with a 3% sales tax on the wholesale price of gasoline and diesel fuel to an indexed excise tax that was initially set at 26 cents per gallon on gasoline and 29 cents on diesel fuel. The current rate is 28.7 cents per gallon for gasoline and 32.2 cents for diesel. In FY 2017 the excise tax rates were 26.8 cents and 30 cents, resulting in over \$1.8B in FY 2017. The change in the MUFT has allowed GDOT to significantly increase its contracted road and bridge projects annually.

In FY 2017, GDOT awarded contracts for 383 major construction and capital maintenance projects totaling \$1,459,516,458, plus 259 routine maintenance projects for another \$105,512,335. GDOT made expenditures of \$108,163,822 in design and engineering costs associated with these projects, bringing the total expenditure to \$1.67B. In addition, \$156,562,234 in Local Maintenance and Improvement Grants (LMIG) were made from the state's MUFT. These funds went directly to 688 county and municipal governments to help fund projects on roads and bridges maintained by local governments. According to GDOT officials, the majority of LMIG funds were expended for resurfacing. Including the LMIG funds, total expenditures for FY 2017 for these purposes were \$1,829,754,849.

Dr. Clarke explained that the 2017 study measured the economic impact of these expenditures in terms of jobs, labor income, total economic output, and the economic multiplier. Its major findings revealed the following:

- \$1.83 billion in total expenditures resulted in nearly \$3.35 billion in total economic activity.
- GDOT projects in FY 2017 supported an estimated 21,428 jobs in Georgia with labor income of more than \$1.02B.
- The jobs multiplier statewide for road and bridge construction and maintenance is 1.85 and ranges from 1.67 to 1.91 in the GDOT districts. Each direct employment job in the road and bridge construction and maintenance industry sectors supports nearly one (0.8) additional job in the state.
- The economic output multiplier effect for road and bridge construction and maintenance spending is 1.85 statewide, and ranges from 1.66 to 1.92 in the seven GDOT districts. Every \$1 billion spent on road and bridge construction and maintenance results in another \$850M of economic activity in the state.
- The estimated value of benefits from transportation system efficiency improvements from 29 projects that enhanced capacity in metropolitan areas is \$5.7B over the ten-year period 2019 to 2028. These benefits accrue from an estimated reduction in congestion, travel times, emissions, accidents, injuries, and fatalities, plus increased productivity.

### **2021 Urban Mobility Report**

In his remarks, Dr. Bill Eisele referred the Commission to the [2021 Urban Mobility Report](#) issued by the Texas A&M Transportation Institute. This report identifies Atlanta as the 8th most congested city in the nation for daily commuters in 2020 and 37th in total annual hours. In 2020, daily commuters spent an average 37 hours in traffic, down from 78 hours in 2019. Total annual hours for all drivers dropped from nearly 231 million



hours in 2019 to almost 109.5 million in 2020. To put this in perspective, the average times for the top 494 urban areas of the U.S. resulted in daily commuters spending 27 hours in traffic in 2020, down from 54 hours in traffic in 2019. The average total annual hours dropped from nearly 18 million hours in 2019 to almost 9 million in 2020. However, this decline can be directly attributable to more people working from home due to Covid.

Urban Area	Delay/Commuter (Person-Hours)				Total Annual Delay (1000 Hours)			
	2020	2019	Change	Rank	2020	2019	Change	Rank
<b>Very Large Average (15 areas)</b>	<b>41</b>	<b>84</b>	<b>-43</b>		<b>152,347</b>	<b>312,680</b>	<b>-51%</b>	
LA-Long Beach-Anaheim CA	46	119	-73	1	365,543	952,183	-62%	8
Washington DC-VA-MD	42	105	-63	2	101,775	256,476	-60%	13
San Francisco-Oakland CA	46	103	-57	3	112,507	255,724	-56%	27
Miami FL	27	74	-47	5	112,879	309,019	-63%	7
Seattle WA	31	77	-46	6	69,016	168,998	-59%	16
Atlanta GA	37	78	-41	8	109,475	230,899	-53%	37
New York-Newark NY-NJ-CT	56	96	-40	9	494,268	846,704	-42%	60
San Diego CA	24	64	-40	9	55,433	145,568	-62%	8
Boston MA-NH-RI	50	86	-36	16	122,348	209,231	-42%	60
Phoenix-Mesa AZ	25	61	-36	16	68,645	168,382	-59%	16
Chicago IL-IN	39	74	-35	20	172,876	331,657	-48%	51
Houston TX	49	76	-27	31	169,765	263,239	-36%	77
Philadelphia PA-NJ-DE-MD	37	63	-26	36	100,726	172,804	-42%	60
Dallas-Ft Worth-Arlington TX	40	65	-25	42	136,953	219,759	-38%	71
Detroit MI	35	60	-25	42	92,996	159,551	-42%	60

Dr. Eisele also pointed out that Texas conducts an annual analysis of 100 of the state's most congested roadways, which allows the state to prioritize its road projects. This study is codified and mandated by the General Assembly.

He also touched on the concept of "freight fluidity" which is the performance of the trips for goods moving through a selected state or region. This concept can be carried over to port fluidity. For example, an analysis of the Port of Brownsville revealed that a single vessel visit carrying 1,000 twenty-foot equivalent unit containers (TEUs) translates into 15 more trucks in the same week the ship arrives, and 11 more trucks for the 2nd week.

He indicated that reaching a solution to challenges to freight, logistics, and infrastructure funding must include the following:

- Unified freight goals/vision among the stakeholders (freight plan);
- Understanding the problem and opportunities;
- Obtaining the right data;
- Using appropriate analyses, project prioritization methods, and visualization methods;
- The right mix of projects, programs, and policies in the right place for the right mode; and
- Identifying funding sources.

Dr. Eisele concluded by offering some recommendations to the Commission:

- The state should leverage new and existing funding across critical supply chains, such as aerospace, automotive, and agriculture as identified by the GA Center of Innovation at the Dept. of EcD;
- Consider using I-75 Commercial Vehicle Lanes (CVL) as a pilot for a new freight traveler information system that could also be expanded to I-16 to Savannah, I-75 from Atlanta to Macon, and I-75 from Macon to GA/FL line;
- Research new data sources for freight movement tracking such as electronic logging devices (ELDs) and weigh station truck ID records to assist freight corridor planning.
- Research state incentive programs to encourage expansion of private sector truck stops and warehousing areas.

## **Nationwide E-commerce Sales**

Jason Golberg of RetailGeek gave an overview of nationwide e-commerce sales. In 2020, the retail industry sold over \$5.6 trillion worth of stock in America alone – which is 4% more than 2019. This accounted for 27% of the U.S. GDP. Of the \$5.6T, \$833B, or 15.7%, was sold through e-commerce. Last year, physical store sales grew 3.4% over 2019 – which is about average for the past 10 years. E-commerce sales grew on average around 12% annually. But the year before the pandemic, it grew by 15% while the pandemic increased this growth rate to 25%. This revealed that:

- 12.9% of all 2020 pre-Covid retail sales were online;
- 19.2% of all April 2020 Covid retail sales were online; and
- 15.7% of all 2020 retail sales were online.

He emphasized that the percentage of online sales may seem low, but the U.S. Dept. of Commerce defines retailers to include restaurants, gas stations, car dealerships, etc. If we remove those three categories, then about 26% of all retail sales are conducted online.

Mr. Golberg also related how Best Buy turned all of its 1,500 stores into warehouses/fulfillment centers to ship purchased products from its stores directly to consumers residing near a store. This has resulted in Best Buy being able to ship products directly to consumers in one day versus 3-4 day delivery by carrier, and at a far lower cost. This is just as rapidly as Amazon. Target has also embraced this approach. In fact, 95% of all of Target's online sales are shipped directly from its stores. An implication of this is that now city planners not only have to anticipate the number of customers visiting such stores, but also have to calculate how many deliveries will be made from each store. Since online sales are less profitable than in-person sales (for online sales, someone has to do the shopping for the consumer, deliver the products, etc.), and retailers are reluctant to charge a fee, more brick and mortar businesses such as Lowe's, Home Depot, Kohl's, etc. are going to have to transform their stores into fulfillment centers/warehouses to increase profitability in order to maximize volume. Furthermore, retailers are going to have to convince more customers to pick up the products curbside as opposed to delivery. To maximize curbside pickup, the blueprint of a store will have to be changed to allow for more curbside space and/or dedicated parking spots for pick up only. This model will also impact how many stores should be built in the future and where they should be located.

Increased online sales have not only resulted in last-mile problems due to limited capacity, i.e., lack of trucks, drivers, employees, and warehousing, etc., but also in global supply chain problems such as increased cost of shipping containers from Asia. Pre-Covid, it cost about \$4,000 to ship a container across the Pacific. Today it is costing around \$30,000 on average for each container. Additionally, a container used to take 40 days to ship to the west coast from Asia, now it's taking up to 80 days because of the limited capacity to unload the ships.

## **Mileage-Based User Fees (MBUF)**

Mr. Robert Poole began his testimony by highlighting the three key challenges for Georgia highways: (1) the rapid advancement of electric vehicle technology; (2) the long, steep decline that has started in fuel tax revenues; and (3) the political difficulties of replacing the fuel tax with per-mile charges.

The fuel tax revenue problem has two main causes. First, tougher Corporate Average Fuel Economy (CAFE) miles per gallon requirements make vehicles more gas efficient, which leads to less revenue in fuel taxes. Today's new cars go twice as far on a gallon of gas as 1975 cars did. Second, the growth of electric vehicles is projected to continue to increase, as the federal government and automotive industry are making a major push to replace petroleum fuel vehicles with electric vehicles. By 2050, electric vehicles may be as much as 50 percent of the total U.S. light vehicle fleet.

Mr. Poole asserted that the best alternative to the fuel tax is per-mile charging, referred to as Mileage-Based User Fee (MBUF) charging, which taxes drivers per miles traveled and requires some form of reporting, recording, or monitoring. Congress currently funds state Mileage-Based User Fee (MBUF) pilot projects, which are typically sponsored by state DOTs with volunteer participants, technology partners, and research advisors. Overall, the general public is not supportive of MBUF, with major concerns including privacy issues, fears of double taxation for fuel taxes and mileage fees, perception of a "revenue grab" on the part of state DOTs, and lack of fairness for rural drivers. Mr. Poole recommended changing the focus from revenue shortfalls to the benefits of an improved highway system, addressing the fuel tax's shortcomings (it does not keep up with roadway needs, it is not transparent, and it charges the same for all types of roads), and emphasizing that a better highway user fee system would fix these issues.



Mr. Poole's recommendation for transitioning to MBUF was to begin the transition with rebuilt, modernized interstates. Each project could be financed in the long-term with bonds based on per-mile charges, and Georgia could use existing Peach Pass/E-Z Pass technology for recording data. Georgia could also provide rebates of state fuel tax for newly-tolled miles driving, which would show that MBUF is a replacement and not an additional cost for drivers. Starting the transition in this manner would free up remaining Georgia gas tax money for other roadways, and it would convert between one-fourth and one-third of all Georgia Vehicle Miles Traveled (VMT) to per-mile charges. As for long-term goals, Georgia could eventually convert other roadways to MBUFs and consider administering highway utility bills comparable to electricity and water bills.

Mr. Poole also recommended that Georgia take part in a multi-state pilot project that includes trucks and that GDOT develop a long-term plan with cost estimates and inventory the entire Georgia limited-access system for reconstruction, widening, interchange replacements, and dedicated truck lanes.

### **The Infrastructure Investment and Jobs Act (IIJA)**

Mr. Josh Waller explained that the Infrastructure Investment and Jobs Act (IIJA) allocation of funding breaks down \$1.2T between the U.S. Department of Transportation (\$567B) and non-transportation purposes (\$633B).

Georgia's annual FHWA formula apportionment by year is as follows:

Actual FY 21	Estimated FY22	Estimated FY23	Estimated FY24	Estimated FY25	Estimated FY26	FY22 to FY26 Total
\$1,413,516,355	\$1,710,585,738	\$1,744,799,753	\$1,779,698,048	\$1,815,294,309	\$1,851,602,490	\$8,901,980,338
% Annual Increase	21.0%	2.0%	2.0%	2.0%	2.0%	n/a

Increased apportionment formula funds will require additional state funds for matching, usually at an amount of 20%.

Georgia's annual FTA formula apportionment by year is detailed in this chart:

Actual FY 21	Estimated FY22	Estimated FY23	Estimated FY24	Estimated FY25	Estimated FY26	FY22 to FY26 Total
\$203,781,711	\$260,250,760	\$266,076,121	\$273,187,607	\$278,942,766	\$286,190,697	\$1,364,647,952
% Annual Increase	27.7%	2.2%	2.7%	2.1%	2.6%	n/a

The estimated percentage of annual apportionment for individual programs is approximately 49% for urbanized area formula grants, about 12% for non-urbanized area formula grants, about 26% for state of good repair grants, about 6% for bus and bus facilities grants, and about 4% for enhanced mobility for seniors and disabled people.

As for FAA funding, formula funding to states is \$15B (\$3B per year) for grants for airports for improvement projects and \$5B (\$1B per year) in discretionary funding for the Airport Terminal Program. GDOT's airport program's estimated annual increase goes from 5% to 25%, with Georgia's FY21 FAA funds being around \$48M.

Mr. Waller discussed competitive grants as well as Georgia's previous transportation grant successes. These included \$44M from the Nationally Significant Freight and Highways Project for the Georgia Ports Authority Mason Mega Rail in 2016, \$47M from the Infrastructure for Rebuilding America (INFRA) Grant Program for the Georgia Ports Authority Northeast Georgia Inland Port in 2021, and \$8.6M from the Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant Program for state-owned short line railroads in FY19. Mr. Waller also noted that the CRISI program can require up to a 50% state match.

The IIJA also includes funding for the National Motor Vehicle Per-Mile User Fee Pilot, with \$50M to be used over the course of five years to evaluate the design and implementation of a per-mile user fee and provide recommendations as well as to establish a Federal System Funding Alternative Advisory Board to assist with the pilot program.



## COMMISSION RECOMMENDATIONS

1. Review the GDOT Planning Directors list and confirm the prioritizing of the projects.
2. With new rail capabilities for Georgia's ports, the Commission endorses and supports increasing rail service in and out of Savannah.
3. Encourage designated Truck Lanes on our Interstate Highways. GDOT has been working on this for some time and funding will be important.
4. Georgia continues to be ranked #1 or #2 for best highways in the country. That recognition needs to be promoted and continued with proper funding.
5. 2019 testimony highlighted the use of freight clusters: areas with warehousing, parking, and easy access to major corridors. The Commission recommends finding ways to implement this model in strategic locations around the state.
6. Truck driver training/regulations: the 2020 commission suggested that legislation be passed to keep training operations open as essential services during any future shutdowns. Additionally, insurance requirements include two years of driving (this is not codified, just industry standard). Work with providers (there are five operating in Georgia) to see if there are any changes that can be made to comfortably fit the need to insure safe, experienced drivers but also afford some wiggle room during such strenuous times with labor shortages and increased demand for bodies behind wheels.
7. Continue to lobby the federal government to lower the age eligibility for interstate commerce as well as establish some flexibility in electronic logs when parking is in short supply.
8. The primary impediment to the logistics issue is funding. It seems any additional ad valorem fees, or redirection of a portion of ad valorem fees on commercial vehicles, could disadvantage commercial trucking based in the state and commercial truck sales in this state. Newly-created directed fees creates a political problem. A directed appropriation could prove useful for a specific problem to be addressed but does not necessarily present long-term solutions to on-going logistic and supply chain issues.
9. A common theme resonated in each Commission meeting – Georgia's thriving pro-business environment, unmatched transportation network, and the deep-water ports of Savannah and Brunswick create employment opportunities for our citizens and prosperity for the companies located here. The Commission recommends that Georgia continue to prioritize the needs of our freight and logistics businesses particularly as they look to sustain and grow Georgia's agricultural, retail, manufacturing, and healthcare industries. Providing safe and efficient freight mobility inherently makes for safer and more efficient commuter traffic flow.
10. Invest in operational upgrades to titling and registering trucks. The title and registration system for commercial trucks is far behind that of other states when it comes to operations. Newly purchased trucks often sit for weeks or longer being unproductive because of slow response times to what could be automated or electronic processes. Changes to fleets (adding or subtracting trucks) are needlessly cumbersome and expensive – and again, often cause trucks to sit unusable for days or weeks. States such as Virginia, Indiana, and Arizona have more simplified and modernized systems. Virginia, for example, allows companies to purchase plates in advance and then assign them to truck VINs as vehicles are purchased.
11. Focus on statewide uniformity in truck routing. Often cities or counties change long-standing truck routes with little notice and/or for local political reasons with no thought to impact on freight flows (or sometimes the businesses on those routes).
12. Truck parking needs continued attention. GDOT has done good work in trying to create an inventory of existing parking. More should be done to figure out where there are holes in availability and to better share information with the industry. GDOT should also look for places to build more or partner with private industry to allow expansion of facilities. Partnerships with private companies, parking capacity at



weigh stations, and other land use opportunities to address the lack of truck parking should be pursued. Possibly re-purpose closed rest areas for truck parking.

13. Tort reform. While it may not be immediately apparent, the negative and deteriorating litigation atmosphere in the state pushes business out and increases costs for all. In 2006, Georgia was one of the leaders in balancing the rights of plaintiffs and defendants. Over the years it has declined to now being openly listed as the 3rd worst state in the nation for business. In fact, the recent "Hatcher" decision takes the "lawsuit lottery" to a new level. Georgia is now rife with frivolous settlement demands and lawyers openly trolling for nuclear verdicts using third-party litigation financing. This hurts trucking and every logistics company that operates in Georgia by raising costs for all Georgians.
14. Consider creating an assigned risk pool for trucking companies. This is not a cure for the Tort Reform needs of the state, but it will help. It can also help address the insurance issues around giving younger drivers jobs.
15. Continue to support the truck-only lane between Macon and Atlanta. This is a great example of creativity on the part of GDOT and should be fully funded and encouraged. It has little downside and great potential to benefit the corridor.
16. Ensure the current registration system for electric vehicles is equivalent to ICE vehicles and remains so. The total collected should be itemized and the state should look into further developing a tax system that is more efficient – perhaps even an energy tax related to EV owners. It is an area that will continue to change and needs continued study.
17. Stop speaking poorly about trucks/trucking. Too often comments are made in terms of "getting trucks off the roads." Trucking carriers move more than 70% of all freight and every study shows it will continue to do so, if not grown in proportion, over the next 25 years. Trucking, with its flexibility, efficiency and responsiveness to the market is absolutely key to Georgia's leadership in logistics. Official statements and policy should never favor one market sector over another (pick winners and losers). Georgia should remind the public that trucks are the reason they can live and shop local (or have online products delivered directly to their homes), and should avoid appearing to favor one mode over another.
18. Consider allowing the trucking industry to self-tax (similar to an authority or CID) to raise funds it can spend to promote careers in the industry, compliance, and safety. There are several states that do this in conjunction with state trucking associations (SC, TN, AR for example).
19. Upgrade the TCSG's ability to serve demand for new CDL drivers. There is a mismatch in funding where each TCSG college loses money on each CDL student because of how funding is calculated. The state needs to change the funding formula, but also update equipment and hire more instructors. As part of this, the state should explore moving the theory part of training online and making it available to all, so that most in-class time could be spent as "hands-on" training with vehicles.
20. Invest in up to 15 new CDL training sites on TCSG campuses in the FY 2023 budget to ensure a statewide accessible network.
21. Increase HOPE career grant to \$2500 for CDL training.
22. Create a way to alleviate small businesses from inventory taxes that ensure small business longevity in supply chain network and economic success.
23. Remove transfer fees for truck tag replacement to get rid of unnecessary financial burdens when new vehicles are purchased or transferred. [Example: Fees: Before 2020 when you go to transfer a tag, there was an option to order a new tag to replace the old one. This made it a seamless transition. Trucks are run very hard. Some trade every three years and the tags do not last the full three years. Now you have to transfer the tag, then open a new supplement to replace the tag. This costs additional fees on a tag that was already paid for.]



24. GDOT's newly revised and updated State Freight Plan will be released at the end of December 2022. However, implementation of the plan will be financially constrained based on projected federal and state revenue. In conjunction with this effort, GDOT's Intermodal division has consultant resources underway developing a menu of funding sources for consideration by the General Assembly. This effort is being funded as directed in FY 2022 budget appropriations language. This work is expected to be complete in December 2022 as well and will include the new programs in the federal Bipartisan Infrastructure Law.
25. Recognizing the exponential growth of e-commerce as supported by various presentations to the Commission and the continuously evolving state of "last mile" delivery methods, the Commission recognizes capital investments in infrastructure will be required as well as potential for regulatory reform (where necessary) to ensure delivery innovations for new and emerging methods of "last mile" delivery to be safe and successful. Georgia should continue to be a leader in innovation and technology in freight and logistics.

**THE FINAL REPORT OF THE JOINT COMMISSION ON  
E-COMMERCE AND FREIGHT INFRASTRUCTURE FUNDING**



---

Senator Steve Gooch – Committee Co-Chair  
District 51



---

Representative Rick Jasperse – Committee Co-Chair  
District 11